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LB 44

an itemized deduction, so the bill is essentially revenue neutral if the committee amendment is adopted. In short, many of those...many of you who've gotten e-mails, phone calls, and letters concerning LB 44 as...call it a tax increase, that was only true for the tax year 2006, by trying to match tax years. But the adopting of the committee amendment eliminates the one-year anomaly. The committee serves to make the bill neutral, as was intended by Senator Redfield. It was always the intention of Senator Redfield and it was the intention of those of us who voted for the bill that this be revenue neutral; that we shift one kind of tax break, and remember this is a tax break that we give, for a different kind of tax break. And one is an income tax break and one is a property tax break. But because those are different tax bases, we have to equalize and try to get those two things to happen simultaneously. That's the purpose of the committee amendments.

SENATOR CUDABACK: Thank you, Senator Landis. We will now go to Mr. Clerk. Amendment please.

CLERK: Mr. President, Senator Redfield would move to amend the committee amendments with AM0711. (Legislative Journal page 785.)

SENATOR CUDABACK: Senator Redfield, you're recognized to open on AM0711.

SENATOR REDFIELD: Thank you, Mr. President. Members of the body, I was the one who brought the committee amendment to them because, in fact, as Senator Landis has stated, the intent all along was to be revenue neutral. It was not intended to be a tax increase. And so, in the committee amendment, we change the date. The Department of Revenue had calculated that fiscal note based on withholding. After a great deal of thought, the Department of Revenue thought why should they change the withholding tables when, in fact, only one out of four filers today is using that, but the withholding tables apply to everyone. And so, after they thought about it, they decided they would not put it into the withholding change and, therefore, we would not need the date change in the bill. And the other thing that they found out when they were going back,